

ROLLA JOB DEVELOPMENT AUTHORITY

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December 23, 2010

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20423-0001

Re: STB Docket No. AB-6 (Sub-No. 473X) BNSF Railway Company - Abandonment

Exemption – in Rolette and Towner Counties, North Dakota

Dear Ms. Brown:

I would like to respond to or refute or provide rebuttal to many of the issues Kristy Clark, General Attorney, BNSF Railway Company cited in her docket to you dated December 3, 2010.

Initially I would like to briefly describe the community and the immediate region I am representing as the local economic developer. Rolla, ND is a small community of 1,417 in population located just 10 miles from the Canadian border in north-central ND. We are just 5 miles from a Native American Reservation (Turtle Mountain Band of Chippewa Indians, Belcourt, ND) which has a population of over 10,000 and an unemployment rate of over 60%. Average age of the reservation is approximately 29 years of age.

To the issues in the above referenced docket.

- Page 3 Paragraph 4: The reason the line has had no traffic since March 2007 is due, in part at least, to BNSF's embargoing the line. For five years prior to this date (see enclosed spreadsheet) we averaged almost 600 car loads of grain each year. Since the embargo the local elevator has added two (2) 100,000 bushel storage units which would have increased the rail car activity. Ms. Clark also states in this paragraph that the "abandonment will have no impact on rail freight operations and maintenance practices on the line". Of course not, if you're not operating on the line routine operations and maintenance there will be no impact!
- Page 3 Paragraph 5: To "forego the opportunity costs from salvaging the line" strikes me as
 poor justification for the elimination of rail service to this region. I will support our economic
 development interests later in this letter.
- Page 4 ~ Paragraph (2f): Again Ms. Clark states that there has been no traffic on this line since March 2007. It appears this comment should be stated differently in that "because BNSF embargoed the line o/a March 2007 there has been no rail traffic". How can there be traffic when BNSF fails to provide rail cars for us to use?

- Page 4 Paragraph (3-Land Use): The City of Rolla only received formal notice of abandonment the first part of December 2010. Within the smaller communities there typically are no formal land use plans! Ms. Clark states that contact was made with the Towner County Auditor who would present this information to the Towner County Commissioners for a response. BNSF failed to contact, in the same manner, what we would consider as the primary county of impact, Rolette County. The Rolette County Auditor and Commissioners were not contacted until they received this abandonment docket the first part of December 2010. Of the 17 miles of rail that is being proposed for abandonment, approximately 12 miles lie within Rolette County. The City of Rolla and County of Rolette are the primary communities served and have the potential to benefit from these 17 miles of track and are the communities being economically impacted by the proposed embargo/abandonment.
- Page 5 Paragraph (4) Energy (ii): Not adversely affected? I will be faxing this letter to you in order to respond to the proposed date of formal application for abandonment. I will also be mailing the original copy of this letter but I will then also include articles from our local newspaper as well as information from the ND Department of Commerce and their solicitation of a Request for Proposal wherein rail service would be beneficial to a proposed business wishing to expand into ND. Inasmuch as Rolla, ND does not have an interstate or 4 lane highway system available to transport product in or out of the area, rail is a very important tool for us to use to attract business and hopefully reduce unemployment, etc.
- Page 6 Paragraph (5) Air(C): Since the 2007 embargo of this line, the local elevator has had to ship grain by truck. Assuming 3.5 trucks are required to ship one rail car load of grain and knowing that historically, we averaged approximately 600 cars per year, we have had approximately 2,100 trucks entering and leaving this community per year, since the embargo. This has caused not only significant and unnecessary wear and tear of our streets, but also due to the increased truck traffic safety (see BNSF comments on Page 7 paragraph (7) Safety) becomes a concern. To my knowledge we have not had any situations however the damage caused by the increase in truck traffic on the streets, contiguous to and in the immediate vicinity of the elevator is quite notable, especially the rail way crossing on our Main Street (U.S. Highway 281/ND Highway 5)(see comment in the newspaper article being mailed).

While I could continue with this, I will stop with my comments regarding this Docket, for now at least, and close out this letter. BNSF has stated that they have not had any credible offers or communications to purchase or lease this line since the embargo. This is simply not the case. Because I was not able to have productive communications with BNSF's office of Network Rationalization I solicited the assistance of our two U.S. Senators, U.S. Representative and the Governor of ND. It wasn't until after the second request through the Governor's Office that I finally had some communications with the Office of Network Rationalization. I, however, was unsuccessful in deterring BNSF's interests in abandoning this line. A ND based short lines company (Northern Plains Rail Road, Fordville, ND) has shown an interest in and have been in communications with BNSF to buy or lease this line. They know that repairs to the two damaged bridges are required which were damaged by local farmers burning the stubble from the contiguous fields. We are simply dumb-founded why BNSF will not provide a logical quotation for the sale or lease of this line.

We would respectfully request your office to suspend any proceedings related to the abandonment of this line until such time as we could develop a viable working solution to this issue with BNSF, Northern Plains Rail Road, the local elevator, the City of Rolla and County of Rolette.

Sincerely,

George Youngerman Executive Director

Faxed: December 23, 2010

Cc: ND Office of the Governor

ND Public Service Commission

ROLLA COOPERATIVE GRAIN RAILCAR QUANTITIES

54x Avennse_ 1988/5= 598 (Bas/450)							
Yr Total	(889)	423 /	428 <	795	654	237.	3225
Barley	215	111	149	256	132	83	946
Canola				5 6	5 6		25
Flax	53	28	19	ო	37	ဖ	146
Soybeans	ଛ	4			4		84
Oats		~	-				7
Durum	88	124	20	107	110	52	532
W Wht	27	15	23	38	29	4	173
Spr Wht	274	130	187	365	278	95	1326
	2002	2003	2004	2002	2006	2007	Total

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Business is a good example of a bad partner

Summary: Burlington Northern Santa Fe is abandoning the city, county and people who helped sustain it.

In small-towns, every business matters, from the small mom and pop restaurant to the big hardware store on the corner. We rely on each other in many ways, directly and indirectly.

When one business shuts down, it impacts us all.

There's always a ray of hope that another entrepreneur will step in and try to fill the void.

Today, however, comes word that a business that has long-since shut down operations is formally abandoning the city of Rolla and the surrounding area. The legal notice appears in this week's edition of The Star.

Burlington Northern Santa Fe (BNSF) has given formal notice of abandoning 17 miles of rail line between Rolla and Bisbee.

The last time a train whistle blew in Rolla was more than two years ago and city leaders have tried to entice BNSF to sell the line to another interested party, Northern Plains Railroad.

In the meantime, grain in Rolla has been transported via truck. Sooner rather than later, this will take a mighty toll on highways leading east and south from Rolla.

Apparently, BNSF is not taking the matter seriously and has basically ignored polite requests to address the matter.

Here's a not-so-polite response - BNSF is the worst kind of business partner and, apparently, a soulless company interested in the well-being of no one else but themselves.

By neglecting and ignoring strong businesses in the community that depended on rail lines, BNSF is snubbing their nose at the very people who helped sustain it.

While the grain elevators and farmers invested in BNSF, the rail line is refusing to return the favor. That is the definition of a bad partner.

The company's actions are also crippling the chances of the city and area for future economic development. Rail lines are often a vital part of an agricultural community's attraction for value-added production possibilities.

That's not saying any type of plant is knocking on the area's door, but with the loss of a viable rail line, the chances of such a development are dim.

There's another aspect of the BNSF that oozes arrogance.

For many people in the area, the closest relation they've had to the rail line in Rolla is the four bone-rattling bumps they go over when driving down Main Avenue.

For decades, people have voiced complaints about the annoyance and seldom, if ever, did BNSF address the matter.

With every business relationship, however, there are ups and downs. Some could tolerate the bumps because the rail line was an important part of our city.

Now, however, it appears that those bumps will be a sore reminder of a business that used up its good will and abandoned their partners, unwilling to give another business a chance to benefit the community. Shame on them.

If you agree, we urge you to call or e-mail Amy McBeth, who is the director of public affairs for BNSF in North Dakota. She can be reached at amy.mcbeth@bnsf.com or call her at 763-782-3212.

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North Dakota

nd,gov Official Portial for North Dakota State Government



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ABOUT US

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STARTING A BUSINESS

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Geographic Preference

Show All of prospects: 1

No Preference

Regional Preferences

North Dakota Department of Commerce

Detail for RFP ID # 15556

Name: CONFIDENTIAL

Project Manager:

Deadline: 11/19/2010 Capital Investment

Red text or

an * indicates a change

Activity Type: Expansion Industry: Energy

Project Summary: This is a wholly-owned subsidiary of a large, well-established foreign company that

manufactures major components for wind power systems

Additional Notes:

Employment Info: Access to a deep and well trained labor force will be critical to the success of a

manufacturing investment within the U.S. More specifics ton number of employees and

wages to follow soon

#Working Days Per Wk: # of Shifts:

Position Projected Wage Range

Projected Job Range Year

Education: Provide information about local university, college, or vocational school programs that

are focused on renewable energy, or more particularly, wind power.

Buildings: The prospective site can either be undeveloped land or a brownfield location

Minimum factory floor height of 42 feet/Minimum 75,000 square feet in floor space/immediate access location to transport lines (rail and highway)

Specify: Bearing capacity of floor structure/exterior storage adjacent to facility/scalable

capacity options

Total Sq Ft: 75,000

Total Acres

Building/Ownership: Any

Geographic No Preference specified

Transportation: Need transporation infrastructure that can accommodate large/overweight shipments

(15-20 tons; width of 13 feet).

Air: NA

Highway:

Rail: Specify rail availability

Financing/Incentives: Commerce will be submitting information on state financing and tax incentive. Please

submit any informatin for local financing and tax incentive.

Infrastructure:

Gas: Specify if natural gas is available to the site or if a service extension would be required

Electricity: Identify the service to the site, e.g., 3-phase, voltage

Telecommunications:

Most Critical

Needs:

Response Format: Electronic/digital to Mike Fladeland, mfladeland@nd.gov

Key Dates:

Sent to Communities: 11/12/2010

Expected Decision: Expected Site Visits: **Expected Short List:** Operational Date:

TO: 12022450464

P.8/8

North Dakota Department of Commerce Economic Development and Finance: Database Center: Com... Page 2 of 2

RFP Update Message Log:

11/12/2010 Well-established wind manufacturer, wholly-owned subsidiary of large foreign-based company, seeking a U.S. based manufacturing site

Questions? Contact the project manager listed above at (701) 328-5300. If you intend to respond to this RFP, select the 'Respond' button to Indicate your intent to supply us with the information and documents necessary to propose your community as a site for this project. Then mail your information to the attention of the specified project manager at the ND Department of Commerce, PO Box 2057, Bismarck, ND 58502-2057. Remember, your mailing must reach us by the deadline date shown above in red.



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CERTIFICATE OF SERVICE

Please be advised that I have mailed copies of my December 23, 2010 letter regarding the following document to the following individuals:

STB Docket No. AB-6 (Sub-No. 473X) BNSF Railway Company – Abandonment Exemption in Rolette and Towner Counties, North Dakota

Service to:

Karl Morrell Balljanik, LLP 1455 F Street N.W. Washington, D.C. 20005

Kristy D. Clark General Attorney BNSF Railway Company 2500 Lou Menk Drive, AOB-3 Fort Worth, Texas 76131-2828

George Youngerman
Executive Director

Rolla Job Development Authority